

WEEK OF STOCK MARKET OF KAZAKHSTAN

February 22-28

Money market indicators as of February 28 and change for the period

Term	Currency	Rate	Trend
“Overnight” on autorepo with GS (TONIA)			
1 day	KZT	1.19	-1.19
Autorepo opening with GS (WA, % APR)			
1 day	KZT	3.06	+0.68
KIBOR (indicative, % APR)			
1 week	KZT	5.00	0
2 weeks	KZT	5.25	-0.42
1 month	KZT	5.75	-0.58
2 months	KZT	6.25	-0.75
3 months	KZT	6.50	-1.50

Stock market indicators as of February 28 and change for the period

Index	Value	Trend
KASE_Shares	2,562.05	-2.90
KASE_BP	201.37	+0.27
KASE_BC	128.38	+0.15
KASE_BY	7.87	-0.21

US dollar = **123.71** at official rate for the end of the period.
US dollar = **124.21** at weighted average rate of the Exchange for the end of the period.

Speed of strengthening of tenge to dollar for the period at exchange's rate totaled **15.1% APR**.

SHARE MARKET

MAIN NEWS OF THE MARKET

Since February 23 by decision of Expert council of special trading floor of regional financial center of Almaty (STF of RFCA) into the official list of STF of RFCA (“C” category) according to the term 1 were included securities of 24 names of the seven issuers:

- bonds KZPC7Y10B656 of **Bank CenterCredit JSC** (Almaty) under symbol aCCBNb14;
- bonds of **Kazakhstan Mortgage Company JSC** (Almaty) of issues KZ2CKY10B315 (aKZIKb8), KZPC1Y03B142 (aKZIKb9), KZPC2Y05B145 (aKZIKb10), KZPC3Y01B548(aKZIKb15), KZPC4Y10B547 (aKZIKb16);
- common KZ1C53590010 (aMAG_) and preferred KZ1P53590116 (aMAG_p) shares of **MAG JSC** (Almaty);
- bonds KZ2C0Y03C130 (aMAG_b1) of **MAG JSC** (Almaty);
- bonds KZ2PKY05C260 (aTSASb1) of **Concern Tsesna-astyk LLP** (Astana);
- common shares KZ1C37670011 (aASFI) of **Astana-Finance JSC** (Astana);
- bonds of **Astana-Finance JSC** (Astana) of issues KZ2CKY05A994 (aASFib3), KZ2CKY07B162 (aASFib4), KZPC1Y05D501 (aASFib5), KZPC2Y07B505 (aASFib6), KZPC1Y10B634 (aASFib7), KZPC1Y05B725 (aASFib8), KZPC2Y15B722 (aASFib9), KZPC3Y10B721 (aASFib10), KZPC1Y10C202 (aASFib11);
- common shares KZ1C48620013 (aEKTN) of **EKOTON+ JSC** (Astana);
- bonds KZ2C0405C218 (aEKTNb1) of **EKOTON+ JSC** (Astana);
- bonds KZ2C0Y01C225 (aASNDb1) of **Astana-Nedvizhimost JSC** (Astana)..

By decision of board of Kazakhstan stock exchange (KASE) **the first trades on the STF of RFCA were opened on February 27** within the frames of regalement session of KASE since 11:30 of Almaty time by the all mentioned above, excluding bonds of Kazakhstan Mortgage Company JSC (Almaty), and also common and preferred shares of MAG JSC (Almaty). By the moment of opening of trades members of KASE of “A” category (with the right to participate in trades with all financial instruments, circulating on the special trading floor), are three companies: Broker company Astana-finance JSC (Almaty), AIM Capital LLP (Almaty) and Kazkommerts Invest RFCA LLP (Almaty). Actual Trades turned out to be effective only for one security – **bonds KZ2C0Y03C130** (aMAG_b1; KZT1,000, KZT3,250.0 m.; August 22, 06 – August 22, 09, semi-annual coupon 12.0% APR, 30/360) of **MAG JSC** (Almaty). Only one deal was concluded with them on the special trading floor of RFCA for 10.0 th. bonds at net price of 100.6394%, which corresponds to the yield to maturity for a buyer at 11.69% APR. The deal amount totaled KZT10,097,273.33 or equivalent of \$81,620.51 at current exchange rate of tenge against U.S. dollar. During the next days of the analyzing period no deals were made on STF of RFCA. During the trades the participants of market had quoted shares of two names and corporate bonds of 12 names.

Since March 1 in accordance with decision of KASE's Exchange Council **changes the regime of trades conduction in listing shares and increase requirements to market-makers on shares**, and exactly:

- **since March 1, 2007 to stop the usage of Frankfurt trades method** in case of coincidence and intersection during trades of prices for selling and purchasing of the following 10 listing shares, traded the most effectively in year 2006: common shares of ATFBank JSC (trade symbol – ATFB); common shares of Bank TuranAlem JSC (BTAS); common shares of Bank CenterCredit JSC (CCBN); common shares of

BANK CASPIAN JSC (CSBN); common shares of Halyk savings bank of Kazakhstan JSC (HSBK); common shares of Kazkommertsbank JSC (KKGB); preferred shares of Kazkommertsbank JSC (KKGBp); common shares of Kazakhtelecom JSC (KZTK); common shares of Temirbank JSC (TEBN); common shares of Exploration Production KazMunayGas JSC (RDGZ);

- **For market-makers on shares:** is decreasing spread between best compulsory quotations from 50% to 15% (from meaning of quotation for purchase); is increasing minimal volume of compulsory quotation from 1,000 to 3,000 monthly payment indicators.

KASE considers that the pointed changes will become the incentive for increasing of liquidity on the organized capital market

In corresponding way the renewed versions of internal documents of KASE “**Regulation of trades and work of System of confirmation**” and “**Specification of status of market-maker for KASE’s members of “P” and “H” categories**” are published on the web-site at <http://www.kase.kz/geninfo/normbase/>

On February 27 the National Bank of Kazakhstan of the Republic of Kazakhstan spread a press release, which says that **starting from March 1 the National Bank of Kazakhstan proceeds to issuing notes with circulation terms of 1 year**. According to the message, the specified actions will be conducted in accordance with earlier announcements of the National bank about forming of a short-term yield curve in the financial market. In the message the National bank of Kazakhstan draws the attention to the point that for building the yield curve it is necessary to substantially increase the volume of issue of short-term notes and increase interest rates on them. Although these measures will entail a significant growth of the head bank’s expenditure on its debt service, the National Bank of Kazakhstan is ready to take mentioned actions to construct the “correct” yield curve. In the same press-release is published the schedule of notes’ offering in March of the current year. According to the schedule on March 2 will be offered notes-91, March 9 – notes-28, March 16 – notes-28, March 23 – notes-182, March 30 – notes-28. The announced volume of all issues is KZT200.0 bn.

Exchange council of KASE at its meeting, which took place on February 22, 2007, adopted a decision **to consider by the end of the first half-year of 2007 the possibility and expediency of the abolition of incentives on exchange operations of physical entities with securities starting from January 1, 2008**. KASE reminds that in accordance with the paragraph 4 of article 9 of KASE’s internal document "Regulations about membership fees and exchange dues" (in edition, acting since December 11, 2006) "in case if the party of the deal on purchase and sale of corporate securities (excluding deals of purchase and sale of securities, which are included in marketable government stocks through the Exchange, and the deal, which was concluded on trades, conducted by method of concluding direct deals) is a member of the Exchange, who closed this particular deal on the instructions, on account of and in the interests of the physical entity, the commission fee of the Exchange for this particular deal is not accrued in the part, which is related to this member of the Exchange. Determination of such a deal as concluded on the instructions of, on account of and in the interests of the physical entity is carried out by the Exchange based on the point that for whom a trade account was opened, according to which this particular deal was closed". The specified benefit, initially determined for any other deals of physical entities with securities (independent of the applied method of conducting trades), was given effect since April 30, 2003 with a view to stimulate activity of KASE’s members for serving physical entities in the organized market of corporate securities. KASE considers that the specified incentive completely proved its destination. According to data of 2005–2007 years, the stake of participation of physical entities on the organized CS market has the clearly outlined tendency of growth, expressing in stake of physical entities on the market of shares and corporate bonds both in quantitative and volumetric expressions.

SHARES MARKET

News of shares market

Since February 23, by decision of the Exchange council of KASE dated February 22, 2007 **KZ1P37670117 preferred bonds of Astana-Finance JSC (Astana) were confirmed as included into KASE’s official "A" listing category** in accordance with the reductive listing procedure, stated by the article 19-1 of Listing rules. The bonds were appropriate the **ASFip** code on KASE. Trades opening in mentioned bonds on KASE will be announced later. Shares’ issue of the company 5,775,000 common KZ1C37670011 and 1,925,000 preferred KZ1P37670117 shares in number was registered by the Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations (AFS) on February 19 2007. The issue was inserted into the state register of securities under the number A3767. As of February 19 2007 3,700,000 common shares of Astana-finance JSC were offered and paid off, preferred shares were not offered. Pursuant to the prospect of shares’ issue of the company, the dividends size under guarantee in its preferred shares makes 10% out of the price of the first offering of these shares. According to the Charta of Astana-Finance JSC, dividends payment for preferred shares makes once a year. Fondoviy Tsentri JSC (Almaty) is the registrar of the company. Detailed information of the issue of securities will be published on KASE’s web site at <http://www.kase.kz/emitters/asfi.asp>.

By decision of Exchange council of KASE since February 23 common **KZ1C20620015** (CHFM) and preferred **KZ1P20620418** (CHFMp) shares of Chimfarm JSC (Shymkent) are transferred from category "B" to category "a" of KASE's official list. These shares are traded on KASE since March 4, 2003. Daughter organization of the joint stock company Bank TuranAlem TuranAlem securities JSC executes the functions of market-maker on KASE by CHFMp with the minimal volume of compulsory quotation in size of 3,000 monthly payment indicators. The same company executes on KASE the function of market-maker on CHFM since February 22, 2005. More detailed information about issuer and his securities is published <http://www.kase.kz/emitters/chfm.asp>

By the decision of the Exchange council of KASE dated February 22, 2007 **common shares KZ1C15990118** (KASE's official "A" listing category, AMGZ) of **CNPC-Aktobemunaygas JSC** (Aktobe) are to be excluded from KASE's official "A" listing category starting **from August 23, 2007**. The given decision was adopted on the basis of the application of CNPC-Aktobemunaygas JSC dated December 13, 2006 about voluntary delisting of its common shares. According to the named application, the Board of directors of CNPC-Aktobemunaygas JSC adopted the decision about voluntary delisting of common shares on December 12, 2006.

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase and sale)

A total of 359 deals amounting to \$41,428.2 th. or KZT5,134.9 m. were made in shares during the analyzed period. In comparison with the previous period (February 15-21, 351 deals, \$51,198.7 th. or KZT6,369.8 m.), turnover of the sector has decreased by 19.1%. At that, 3.6% of deals in quantitative expression and 20.1% in volumetric expression were nego. In the previous period these indicators were 3.7% and 23.7% correspondingly.

During the analyzed period deals were made by (in the parenthesis are given comparable indicators of the previous period) KASE's 30 (26) members on 28 (25) instruments. At that: 14.3% (6.0%) of gross-turnover of the market – 17.9% (11.8%) on purchasing transactions and 10.8% (0.2%) - on sales transactions were controlled by "pensions"; through the depot accounts, registered on physical persons for the week had passed 39.2% (53.3%) of exchange's turnover of shares – 35.6% (64.5%) - on purchasing transactions and 42.7% (42.0%) - on sales transactions.

In the analyzed week weighted average daily prices of 32% (40%) of names of shares involved into deals, made on KASE by methods of opened trades grew, prices of 47% (48%) – fell, prices of 21% (12%) – remained unchanged. In the described period shares prices changed positively in the range from 0.2% (RDGZ) to 100% (ZERD), negative change – from 0.01% (ORDBp) to 32.3% (KKGBp).

As it was supposed by specialists of IRBIS the KASE-Shares index on the analyzing week had confidently punched the bottom of the ascending channel, in which it had lived since beginning of November of year 2006 and started to form the turning figure, which yet looks like flat correction. But the results of the last two days let to suppose that market is preparing to more expressed correction movement. The reason for it is the collapse of shares market on February 27. At that day had sudden increased the prices for American state securities. Investors started to through out the bonds of developing economies. Prices of almost all stake and derivative instruments issued on Kazakhstan assets had rushed downward on the stock exchanges of Europe. Under the influence of this factor the rate of majority of favorites of Kazakhstan market of shares had decreased. By the totals of the week the average weighted price of KKGBp (Kazkommertsbank JSC) on KASE had decreased by 32.3%, AMGZ (CNPC-Aktobemunaygas JSC) – by 18.5%, KZZN (KAZZINC JSC) – by 13.3%, KZTKp (Kazakhtelecom JSC) – by 9.6%, HSBK (Halyk savings bank of Kazakhstan JSC) – by 4.3%. The increased trade activity with the fall of price was observed by ATFB (ATFBank JSC), CCBN (Bank CenterCredit JSC), KZTK (Kazakhtelecom JSC), ATFBp8 (ATFBank JSC), KKGB (Kazkommertsbank JSC).

The analysts of IRBIS consider that here the mood was given by foreign investors, which had fixed the profit on long positions and had converted the received tenge into dollars. Not without reason on the day session of KASE on February 28 the rate of dollar to tenge on the last deal had increased by 110 points relative to corresponding indicator of the previous day.

Thanks, that the stake of participation of non-residents on our market is so insignificant, and the shares market of KASE itself yet is not so volumetric, that the escape from it of the foreign capital could turn to serious consequences. At the last day of the period and also on March 1 the native brokers tried to save the situation, actively playing on increase of rates of less liquid shares by that saving the common psychological mood of the market and holding it from the expressed fall. However at the closing of the period the question of further growth of KASE_Shares was not set. As the forecasting scenarios were considered two – continuation of the flat correction or deeper fall. It was almost impossible to choose the one, because the decrease of prices of GDR of Kazakhstan companies on London stock exchange (LSE) is continuing, though it had slow down a little..

Detailed results of trades in shares on KASE are given in the table.

**Results of share trades on KASE within February 22-28
(only by data of deals, made on the secondary market of KASE by the methods of opened trades)**

Share code on KASE	Price, KZT per share:		on the last deal: price	trend, %	for last 365 days:		Volume of deals th. USD	Number of deals	Best for the period:	
	min.	max.			min.	max.			bid	offer
AMGZ	53,000.00	53,000.00	53,000.00	-18.5	43,500.00	130,000.00	18.0	1	60,000.00	53,000.00
ASBNp1	12,550.00	13,000.00	12,550.00	+2.0	10,000.00	16,900.00	5,314.8	4	13,000.00	12,550.00
ATFB	11,900.00	12,555.88	12,100.00	-4.0	5,300.00	15,710.00	890.7	20	12,555.88	11,900.00
ATFBp8	1,565.50	1,575.00	1,570.00	-2.6	1,300.00	4,150.00	8,111.4	31	1,575.00	1,565.50
BTAS	135,000.00	141,500.00	140,000.00	+7.7	85,500.00	190,000.00	219.2	7	141,500.00	135,000.00
CCBN	1,600.00	1,880.00	1,600.00	-8.6	510.02	2,000.00	7,138.7	21	1,880.01	1,600.00
CHFM	1,275.00	1,275.00	1,275.00	+50.0	600.00	1,650.00	8.8	1	1,275.00	1,275.00
CSBN	4,500.00	5,000.00	5,000.00	0	1,500.00	5,150.00	44.8	3	5,000.00	4,500.00
CSBNp	1,000.01	1,000.01	1,000.01		420.00	1,000.01	12.1	2	1,000.01	1,000.00
EXBN	2,270.00	2,270.01	2,270.00	+0.9	2,000.00	2,750.00	77.1	7	2,270.01	2,270.00
GLOT	5,700.00	5,700.00	5,700.00	0	3,750.00	7,500.00	15.8	1	5,700.00	5,700.00
HSBK	661.00	780.01	661.00	-14.2	260.00	780.01	491.9	26	790.00	650.00
HSBKp	290.00	290.00	290.00		180.00	290.00	23.5	1	305.00	290.00
KKGB	1,400.00	1,470.00	1,420.00	-0.7	250.00	1,800.00	1,024.8	27	1,470.00	1,400.00
KKGBp	190.00	310.00	190.00	-44.1	100.00	600.00	624.1	39	310.00	190.00
KZCR	29,650.00	29,650.00	29,650.00	0	1.00	30,000.00	47.9	1	29,650.00	29,650.00
KZTC	15,050.06	18,000.00	16,990.00	-0.1	9,000.00	20,000.00	213.0	17	18,000.00	10,000.02
KZTK	50,000.00	55,000.00	50,000.00	-3.8	23,502.00	55,000.00	1,945.7	39	55,000.01	49,700.00
KZTKp	22,000.01	25,600.00	23,000.00	-8.0	8,950.00	26,000.00	2,554.1	34	25,600.00	22,000.00
KZZN	6,500.00	7,500.00	6,500.00	-13.3	4,510.00	18,300.00	25.7	3	7,500.00	6,500.00
NFBN	3,100.00	3,100.00	3,100.00	0	1,321.00	3,100.00	1,788.7	1	3,101.00	3,100.00
ORDBp	2,099.00	2,100.00	2,100.00	0	2,099.00	2,125.00	99.7	9	2,100.00	2,099.00
RDGZ	15,100.00	15,650.00	15,500.00	+0.6	11,260.00	18,399.99	1,782.0	34	15,650.00	14,500.00
TEBN	4,510.00	5,002.50	4,990.00	-0.2	1,031.00	5,002.50	181.7	8	5,005.00	4,500.01
TEBNp	1,300.00	1,300.00	1,300.00	+6.6	1,073.75	1,390.00	31.6	1	1,300.00	1,300.00
TSBN	4,000.00	4,300.00	4,050.00	-10.0	1,350.00	4,500.00	56.0	4	4,300.00	4,000.00
UTMK	27,000.00	27,000.00	27,000.00		16,010.00	38,250.00	3.9	1	27,000.00	27,000.00
ZERD	3.00	4.00	3.00	+100.0	0.80	4.50	8.9	3	4.00	2.50
28							32,754.5	346		

Notes: Trends are given relative to the last deal of the previous month (January 21 – February 21, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers' symbols is available at http://www.kase.kz/instruments/nzb_code.htm

CORPORATE BOND MARKET

News of corporate bond market

On February 27 Halyk savings bank of Kazakhstan JSC had opened of the decision of the Bank's Board of directors dated February 21, 2007 # 21 and in accordance with the paragraph 18 of Issue terms of subordinated bonds of the second issue, confirmed by the National Bank of Kazakhstan on May 7, 2002 under # A55, notifies of the full advanced repayment of indexed subordinated bonds of the second issue (KZ2CKY05A556; KASE's category "A" official list, HSBKb2; KZT1,000, KZT2,042.0 m.; May 21, 02 – May 21, 07, semi annual coupon 8.00% APR) **the issuer intends on March 29, 2007 to make the prescheduled full maturity of the pointed securities.** By the opinion of specialists of IRBIS the main reason for such decision had become the ambiguous formulation of algorithm of maturity of these bonds in the prospect of issue. This formulation made KASE and IRBIS in the beginning of the current year to refuse from calculation of yield of HSBKb2 on the last coupon period, and the market-maker of the bonds – to quote them with significant premium (about 120% from face value).

By the decision of KASE's Council dated February 22, 2006 **KZ2C0Y03C387 bonds** (KZT1,000; KZT1.0 bn.; 3 years, semi-annual coupon, indexed on inflation rate, 9.5% APR for the first year of circulation, 30/360) of **Kazakh distribution company JSC** (Almaty) were included into KASE's official "B" listing category under **KZDKb1** symbol. The mentioned decision had taken effect since March 1. The same day were opened the trades in KZDKb1 on KASE. **Astana-Finance JSC** (Astana) acted as the financial consultant of the issuer to bring its bonds to the organized market. The company's primary type of activity is distributing.

By the decision of KASE's Board **starting from February 23, 2007 trades with bonds KZPC1Y03C348 of ASIA AVTO JSC** (Almaty) (KASE's official "A" listing category, ASAVb1; KZT1,000; KZT1.0 bn.; January 3, 07 – January 3, 10; semi-annual coupon, indexed on inflation rate, 8.90% APR for the first coupon period, 30/360) are to be opened in KASE's secondary market sector. Kazkommerts Securities JSC – the daughter organization of Kazkommertsbank JSC (Almaty) executes the duties of the market maker on the mentioned bonds on KASE, with the minimum volume of compulsory quotation in size of 2,060 bonds. Bonds have been included into KASE's official "A" listing category since January 3, 2007. The specified issue of bonds is the first in the frames of the first bond program of ASIA AVTO JSC, registered by Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations on November 23, 2006 for the total sum KZT3.0 bn., and the first issue of the bank's bonds, which passed the listing procedure on KASE. Kazkommerts Securities JSC – the daughter organization of Kazkommertsbank JSC (Astana) acts as financial consultant of the issuer during introduction of its bonds to the organized market. Detailed information about the issue of securities is available on KASE's website at <http://www.kase.kz/emitters/asav.asp>

By the decision of KASE's since **February 26 of 2007** trades in **KZ2CKY10B315 issue mortgage bonds of Kazakhstan Mortgage Company JSC** (Almaty) (KASE's official "A" listing category, KZIKb8; KZT1, KZT5.0 bn.; October 1, 04 – October 1, 14) are opened in KASE's secondary market sector. Investment Financial House RESMI JSC (Almaty) executes market maker's functions on KASE with minimal volume of obligatory quotation at 1,800,000 bonds. Mentioned bonds were included in KASE's official "A" listing category on November 26 of 2004. Detailed information about these securities is available on KASE's web site at <http://www.kase.kz/emitters/kzik.asp>

Primary market sector

On February 28 in the trade system of KASE the specialized trades for offering of **KZPC4Y10B547 mortgage bonds of Kazakhstan Mortgage Company JSC** (Almaty) (the official list of KASE under "A" category, KZIKb16, KZT1, KZT5.0 bn., January 15, 07 – January 15, 17, semi-annual coupon, indexed on inflation rate; 30/360) have been opened. The specified issue is the fourth one within the frameworks of the second bonds program of Kazakhstan Mortgage Company JSC, registered by the Agency of the Republic of Kazakhstan for regulation and supervision of the financial market and financial organizations on March 30 2005 for a total of KZT20.0 bn., and it is the sixteenth bonds issue of the company, which passed through the listing procedure on KASE. The issuer offered participants of the market bonds with total face value at **KZT1.0 bn.** (20% out of the registered volume of the issue). The subject of the trades was **the fixed margin**, the value of which is used by the issuer to determine the coupon rate for bonds. **Trades were recognized frustrated** because of absence of complete demand.

As the reasons of unsuccessful attempt of bonds' offering the specialists of IRBIS are inclined to point two – lower upper limit of interest rate on bonds (7.5% APR, that is lower than current inflation rate) and also "re-sold character" of bonds of the given issuer by the pension funds of the country (stake of investments of pension assets into securities of one issuer are the object of prudential regulation of funds' activities).

Secondary market sector (purchase and sale)

On February 27, 2007 the specialized trades to purchase bonds KZ2CKY05B091 of Food contract corporation JSC (Astana) (the official list of KASE under "A" category, PRKRb1, KZT10,000; KZT3.0 bn.; May 17, 04 – May 17, 09; the annual coupon 8.00% APR; actual/actual) **were continued in the trade system of Kazakhstan stock exchange (KASE)** by their issuer, who planned to purchase from investors 105,688 bonds which were not redeemed on the previous specialized trades. 2 members of KASE had participated in trade, which had given three bids for selling of 64,390 bonds (60.9% from announced volume of redeeming). Net price in the bids varied from 100.0000% (7.96% APR) to 101.0000% (7.46% APR), totaled in weighted average expression 100.9854% (7.47% APR). In the total volume of supply 98.5% (by number of bonds) was controlled by bid from second-tier bank, 1.5% - by broker-dealer company's client. **By results of trades** the issuer had set the cut-off price at the became traditional level **100.0000%**, which corresponds to yield of bonds to maturity in size of **7.9619% APR** and had satisfied in total volume one bid on selling of **950 bonds to the sum of KZT10,095,506.85**. The whole volume of bonds sold to issuer had come on stake of client of one of the broker-dealer's companies. By the totals of four resulted trades the issuer had redeemed 65.1% from registered volume of issue, though to the plans of Food contract corporation JSC entering the redeeming of all 300 thousands of bonds KZ2CKY05B091, being in circulation.

A total of 72 deals, considering the redeeming described above, amounting to \$47,631.0 th. or KZT5,907.5 m. were made in bonds during the analyzed period on KASE. In comparison with the previous period (February 15-21, 59 deals, \$104,232.6 th. or KZT12,960.8 m.), turnover of the sector has decreased by 54.3%. At that 1.4% of deals in quantitative expression and 0.0001% in volumetric expression were nego. On the previous week these indicators were 5.1% and 0.0007%..

During the analyzed period deals were made by KASE's 22 (18) members on 35 (30) instruments. At that, 12.6% (13.0%) of gross-turnover – 19.4% (22.6%) on purchasing transactions, and 5.8% (3.4%) - on sale transactions went through the accounts of pension market's subjects. Through the accounts of depot, registered on physical persons, for the week had left 32.7% (12.0%) of the exchange's gross-turnover of corporate bonds – 19.2% (4.9%) - on purchase operations and 46.2% (18.1%) - on sale operations.

By the totals of the period weighted average daily net prices of 16 bonds grew on the opened market, prices of 15 bonds – fell. Prices of KZIKb8, aMAG_b1 and KAZIb2 were nothing to compare with. Re-bought seemed TSNb6 and ASFIb4 with growth of net prices by 12.8% and 5.4% correspondingly. Not any bond seemed re-sold. Yield to maturity for buyer on deals' made decreased of 19 bonds, increased – of 12.

Judging by the given data and behavior of indexed of KASE_B* series this sector of the market looked balanced in price relation and it is hard to outline here any particularities.

Detailed data on corporate bond market is given in trades results table.

**Results of bond trades on KASE within February 22-28
(only on data of deals , made on secondary market of KASE by the methods of opened deals)**

Bond code on KASE	Yield to maturity for a buyer, % APR:						Volume of deals th. USD	Number of deals	Best for the period:	
			on the last deal:		for last 365 days:				bid	offer
	min.	max.	yield	trend	min.	max.				
aMAG_b1	11.95	11.95	11.95		11.95	11.95	81.6	1	11.95	11.95
ASF1b3	8.10	8.10	8.10	-0.50	8.10	8.60	40.4	1	8.10	8.10
ASF1b4	9.50	9.50	9.50		9.39	11.08	19.5	3	9.50	9.50
ASF1b5	8.83	9.51	9.51	-1.49	8.73	11.50	675.4	5	8.83	9.51
ASF1b7	9.50	10.50	9.70	-0.17	8.50	11.00	695.5	13	9.50	10.50
ATFBb5	8.75	9.10	8.75	+0.25	7.55	9.28	343.9	3	8.75	9.10
BTA1b10	8.00	8.00	8.00		6.99	8.00	8,031.1	1	8.00	8.00
BTA1b3	9.50	9.50	9.50	-0.60	8.00	10.10	16.4	1	9.50	9.50
BTA1b7	9.50	9.50	9.50	-0.50	8.60	10.00	16.3	1	9.50	9.50
BTA1b8	10.50	10.50	10.50	0	8.20	10.50	9.6	1	10.50	10.50
BTASb1	10.75	10.75	10.75	-0.24	6.50	11.50	1.7	1	10.75	10.75
BTASb2	10.10	10.10	10.10	+0.15	7.90	11.20	49.0	1	10.10	10.10
BTASb4	7.80	11.10	7.80	0	7.00	11.10	37.4	3	7.80	11.10
BTASb7	8.60	8.60	8.60	+0.07	6.85	8.60	359.2	1	8.60	8.60
CCBNb14	8.50	8.50	8.50	0	8.50	8.50	4,277.5	1	8.50	8.50
HSBKb2				Yield,is,not,calculated			14.8	2		
KATRb1	11.50	11.50	11.50	-0.12	10.00	13.00	316.1	4	11.50	11.50
KAZ1b2	10.30	10.30	10.30		10.30	10.30	4.0	1	10.30	10.30
KONDb1	10.03	10.03	10.03	+1.03	9.00	10.03	2,808.3	2	9.00	10.03
KRZHb1	9.00	9.00	9.00	0	7.88	12.00	2,936.6	2	9.00	9.00
KZALb1	11.30	11.30	11.30		9.32	11.30	14.7	1	11.30	11.30
KZAPb1	3.00	5.00	5.00		3.00	8.50	50.4	2	3.00	5.00
KZASb2	8.67	8.67	8.67	-0.03	8.00	8.90	36.7	1	8.67	8.67
KZIKb7	7.20	7.20	7.20	-0.15	5.00	7.35	3,224.0	2	7.00	7.20
KZIKb8	7.70	7.70	7.70		7.70	7.70	4,388.4	2	7.00	7.70
KZNHb2	10.80	11.00	11.00	0	9.50	13.50	885.5	3	10.80	11.00
MREKb3	9.40	9.40	9.40	-0.10	9.40	9.50	1,043.2	1	9.00	9.40
NRBNb2	9.61	9.61	9.61	+0.11	7.99	9.62	2,743.1	1	9.61	9.61
NRBNb5	8.50	8.50	8.50	-0.60	8.30	9.10	2,829.8	3	8.50	8.50
ORDKB1	13.00	13.00	13.00	+1.00	12.00	13.00	2.1	1	13.00	13.00
ORNKb1	12.00	12.00	12.00	0	9.98	12.00	6,132.0	2	12.00	12.00
PRKRb1	7.96	7.96	7.96	0	7.96	8.08	81.6	1		7.96
TEBNb10	8.00	8.00	8.00	0	8.00	8.50	4,024.8	1	8.00	8.00
TSBNb4	9.20	9.20	9.20	-0.30	9.02	10.20	566.7	1	8.50	9.20
TSBNb6	8.00	8.00	8.00	-2.00	8.00	10.20	873.7	1	8.00	8.00
35							47,630.9	71		

Notes: Trends are given in percentage points (1pp = 100 basis points) relative to the last deal of the previous month (January 21 – February 21, 2007). If deals were not made in the previous month the trend is not calculated. Full list of issuers symbols is available at http://www.kase.kz/instruments/nzb_code.htm

GOVERNMENT SECURITIES (GS) SECTOR

Primary market sector

No deals were made in this sector of KASE during the analyzed period. No offerings were made.

Secondary market sector (purchase - sale)

In the analyzed period total volume of 42 deals made on KASE had reached KZT39,313.3 m. (\$317.7 m.). In the last period the turnover of the given sector did not exceed KZT8,175.8 m. or \$65.8 m. with 30 deals. Stake of exchange's turnover in the total volume of Kazakhstan secondary market of GS on comparable operations of purchase and sale was equaled to 100%, as on the previous week.

As it is seen from the provided table, the significant activation of GS secondary market was observed with trading in notes of National Bank. Specialists of IRBIS concern this fact to intention of head bank of the country since March 1 to start the issue of more long and more profitable bonds (see the Main news of the market). It is not excluded that it made some investors (banks mainly) to throw out on the market the notes existing in their portfolios with the aim of re-investing of the received money into the new bonds. At that they had managed to play on increase of prices, because mainly the yield of notes on the secondary market of GS during the analyzing week had fallen.

More detailed data about exchange's trades are given in the table.

Parameters of Exchange's transactions in GS within February 22-28

(in parentheses are comparable figures of the previous period)

Days till maturity	Yield to maturity for a buyer, % APR.				Volume, m. tengge discounted	Number of deals
	min	max	last deal	weighted average		
Discounted (KZT): National Bank's notes				85.5% (49.4%) of purchase and sale sector's turnover		
less 8	1.50	3.19	1.50	2.72 (3.50)	14,134.4	9
8 - 14	4.00	5.65	5.65	4.37 (3.50)	18,082.3	12
15 - 28	3.80	4.71	4.00	4.18 (5.05)	1,412.2	7
Total					33,629.0 (4,037.7)	28 (5)
Coupon (KZT): MEOKAM-36, 48, 60, 72, 84; MEUKAM-120				14.5% (50.6%) of purchase and sale sector's turnover		
Less 730	5.60	6.09	5.75	5.70 (5.78)	3 864.1	9
731 - 1095	6.50	10.16	6.50	10.11 (4.81)	1 525.1	2
1096 - 1460	6.16	6.16	6.16	6.16 (6.20)	41.0	1
1461 - 1825	6.75	6.75	6.75	6.75 (5.50)	98.1	1
more 2191	5.50	5.50	5.50	5.50 (5.50)	156.1	1
Total					5,684.4 (4,136.6)	14 (24)
GRANDTOTAL					39,313.3 (8,175.8)	42 (30)

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